

1-1 By: Craddick (Senate Sponsor - Estes) H.B. No. 129  
1-2 (In the Senate - Received from the House May 10, 2017;  
1-3 May 10, 2017, read first time and referred to Committee on Natural  
1-4 Resources & Economic Development; May 18, 2017, reported  
1-5 adversely, with favorable Committee Substitute by the following  
1-6 vote: Yeas 11, Nays 0; May 18, 2017, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Estes	X		
1-10	Zaffirini	X		
1-11	Burton	X		
1-12	Garcia	X		
1-13	Hancock	X		
1-14	Hinojosa	X		
1-15	Huffines	X		
1-16	Miles	X		
1-17	Rodríguez	X		
1-18	Seliger	X		
1-19	Taylor of Collin	X		

1-20 COMMITTEE SUBSTITUTE FOR H.B. No. 129 By: Estes

1-21 A BILL TO BE ENTITLED  
1-22 AN ACT

1-23 relating to the manner in which a payor of proceeds derived from the  
1-24 sale of oil or gas production is required to provide certain  
1-25 information to a royalty interest owner.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. Sections 91.501 and 91.506, Natural Resources  
1-28 Code, are amended to read as follows:

1-29 Sec. 91.501. INFORMATION REQUIRED. If payment is made to a  
1-30 royalty interest owner from the proceeds derived from the sale of  
1-31 oil or gas production pursuant to a division order, lease,  
1-32 servitude, or other agreement, the payor shall include the  
1-33 information required by Section 91.502 on the check stub, an  
1-34 attachment to the payment form, or another remittance advice that  
1-35 accompanies the payment.

1-36 Sec. 91.506. EXEMPTION. (a) Except as provided by  
1-37 Subsection (b), if ~~if~~ the information required by Section 91.502  
1-38 is provided in some other manner on a monthly basis, the payor is  
1-39 not required to include the information on the check stub, an  
1-40 attachment to the payment form, or another ~~other~~ remittance  
1-41 advice that accompanies the payment.

1-42 (b) If payment is made to the royalty interest owner by a  
1-43 paper check delivered by mail or by means of a private delivery  
1-44 service, the payor may not provide the information required by  
1-45 Section 91.502 in a manner other than by including the information  
1-46 on the check stub, an attachment to the payment form, or another  
1-47 remittance advice that accompanies the payment unless the payor  
1-48 obtains, or a previous payor has obtained, the consent of the  
1-49 royalty interest owner to provide the information in some other  
1-50 manner.

1-51 SECTION 2. The change in law made by this Act applies only  
1-52 to a payment made on or after the effective date of this Act to a  
1-53 royalty interest owner from the proceeds derived from the sale of  
1-54 oil or gas production. A payment made before the effective date of  
1-55 this Act to a royalty interest owner from the proceeds derived from  
1-56 the sale of oil or gas production is governed by the law in effect on  
1-57 the date the payment is made, and the former law is continued in  
1-58 effect for that purpose.

1-59 SECTION 3. This Act takes effect September 1, 2017.

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